

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1683-02
Bill No.: Perfected HCS for HB 717
Subject: Children and Minors; Social Services Department; Family Services Division;
Abortion; Public Assistance; Domestic Relations; Education, Higher; Crimes and
Punishment; Health Care; Medicaid
Type: Original
Date: May 13, 2013

Bill Summary: Changes the laws regarding children and families.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	(Could exceed \$5,433,107)	(Could exceed \$6,886,343)	(Could exceed \$7,139,070)
Total Estimated Net Effect on General Revenue Fund	(Could exceed \$5,433,107)	(Could exceed \$6,886,343)	(Could exceed \$7,139,070)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Other State Funds	(\$769,465)	(\$1,060,380)	(\$1,101,842)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$769,465)	(\$1,060,380)	(\$1,101,842)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 47 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Federal Funds*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Savings, income, expenditures and losses net to \$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	4.7	5.9	5.9
Federal	2.3	2.9	2.9
Other State Funds	0	0.2	0.2
Total Estimated Net Effect on FTE	7	9	9

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$521,667	\$626,000	\$626,000

FISCAL ANALYSIS

ASSUMPTION

Due to time constraints, Oversight is presenting agency responses from the previous version of this proposal unless otherwise noted.

§1.250 - Parental Liberty:

In response to similar legislation filed this year, HB 513, the following responded:

In response to the previous version of this proposal, officials from the **Special School District (SSD)** stated the language of this proposal is very broad and may result in more lawsuits by parents against school districts. As such, the SSD believes this proposal would increase legal fees for the District. However, it is not possible to estimate the increased cost.

Oversight assumes the potential for litigation to be speculative and, therefore, assumes the SSD will be able to absorb any potential fiscal impact resulting from this proposal.

Officials from the **Department of Social Services (DSS)** state there is no direct fiscal impact to the DSS. The Department's actions are based on state law and the doctrine of the best interest of the child and do not conflict with the provisions of this proposal.

Officials from the **Office of Administration** assume the proposal would not fiscally impact their agency.

In response to the previous version of this proposal, officials from the **Parkway School District** assumed the proposal would not fiscally impact their agency.

No additional school districts responded to **Oversight's** request for a statement of fiscal impact.

§188.125 - Rights of an Alternatives-to-Abortion Agency:

In response to similar legislation filed this year, HB 31, the following responded:

Officials from the **Office of Administration - Division of Budget and Planning**, the **Office of State Courts Administrator**, the **City of Columbia** and the **City of Raytown** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Social Services (DSS)** state the DSS does not regulate alternatives-to-abortion agencies. Therefore, the proposal has no fiscal impact on their organization.

ASSUMPTION (continued)

Officials from the **Office of Prosecution Services (OPS)** assume the proposal will have no measurable fiscal impact on the OPS.

§208.021 - Supplemental Nutrition Assistance:

In response to similar legislation filed this year, HB 911, the following responded:

Officials from the **Department of Social Services (DSS) - Family Support Division (FSD)** provide the following:

§ 208.021.1(1) - All income and resources of ineligible person to be considered:
The division understands that subdivision (1) proposes that all income and financial resources of individuals ineligible due to immigration status prior to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) be included in determining eligibility and the value of the allotment for remaining eligible household members. This proposed legislation is Option 3 under federal guidance relative to 7 CFR 273.11 (c)(3).

There are currently 3,658 active Food Stamp cases in Missouri with an ineligible immigrant included in the household and not receiving benefits that would be impacted by this section.

Using this option in Missouri would result in:

- 1,039 case closings;
2,195 children would no longer receive Food Stamp benefits;
- 2,033 cases with a reduction in benefits;
5,460 children would receive reduced Food Stamp benefits;
- 586 cases would have no change in benefits; and
1,426 children would receive the same Food Stamp benefits.

§ 208.021.1(2) - Pro-rata share of income and financial resources:

Subdivision (2) of subsection 1 appears to imply that the proposed legislation is applicable to the entire ineligible immigrant population in Missouri.

- This appears to be Option 1 under federal guidance and can be applied to immigrants made ineligible by PRWORA as well as those who were ineligible for benefits pre-PRWORA. This option allows states to pro-rate the income of individuals rendered ineligible due to the individual's immigrant status when determining eligibility and the value of the allotment of remaining household members. This is the current method used for determining eligibility and benefit amount for these households.
- Subdivision (2) requires resources to be pro-rated. This is in violation of federal requirements. 7 CFR 273.11(c)(3) requires resources to be counted under all options. Failure to follow federal guidance could result in federal penalties.

ASSUMPTION (continued)

DSS-FSD assumes the proposal will have an unknown fiscal impact on the General Revenue Fund for each FY 14, FY 15 and FY 16.

Oversight notes food stamps are paid 100% by the federal government. Therefore, the reduction in food stamp benefits paid to Missouri residents would have no fiscal impact on the General Revenue Fund.

Oversight assumes the potential for penalties to be speculative and, therefore, assumes no fiscal impact for DSS-FSD.

Officials from the **DSS - Division of Legal Services (DSL)** provide the following:

§ 208.021.1(1) - All income and resources of ineligible person to be considered:
Section 208.021.1(1) requires Family Support Division (FSD) to consider all the income and resources of an individual when determining the household's eligibility and Food Stamp benefits if: 1) that individual was ineligible for the Food Stamp program prior to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA); and 2) the individual remains ineligible due to his or her immigration status.

This will change how FSD currently determines Food Stamp eligibility in these cases. Federal Food Stamp regulations allow states to select various options to consider income and resources based upon an individual's immigration status. The option selected in Section 208.021.1(1) is permitted by 7 CFR Part 273.11(c)(3)(i).

FSD states there are currently 3,658 active Food Stamp cases in Missouri with an ineligible immigrant included in the household that would be impacted by proposed Section 208.021.1(1) if it were used without consideration of Section 208.021.1(2). Using this option in Missouri would result in:

- 1,039 case closings where
2,195 children would no longer receive Food Stamp benefits;
- 2,033 cases with a reduction in benefits where
5,460 children would receive reduced Food Stamp benefits; and
- 586 cases would have no change in benefits where
1,426 children would receive the same Food Stamp benefits.

The number of cases negatively affected totals 3,072 ($1,039 + 2,033 = 3,072$). This would result in a potential of 307 additional administrative hearings, if it were assumed that ten percent of the 3,072 cases requested hearings. The Division of Legal Services (DLS) Administrative Hearings Unit assumes that its hearing officers can hold approximately 900 hearings per year. The

ASSUMPTION (continued)

hearings should not require complex evidence or facts. DLS does not anticipate any additional hearing officers will be required by this legislation as the additional cases can be absorbed by existing staff. DLS will defer to FSD for an analysis of the possible fiscal impact to the Food Stamp program resulting from implementing Section 208.021.1(1).

§ 208.021.1(2) - Pro-rata share of income and financial resources:

Section 208.021.1(2), as written, creates conflict with the terms of proposed Section 208.021.1(1). Section 208.021.1(2) requires a "pro-rata share of income and financial resources of an individual rendered ineligible to participate" in the Food Stamp program "due to such individual's immigrant status shall be considered in determining the eligibility and the value of the allotment of the household of which such individual is a member as specified under the categories given to states in 7 CFR Part 273.11(c)(3)."

The methodology provided for in Section 208.021.1(2) is allowed in 7 CFR Part 273.11(c)(3), and it can be applied to immigrants made ineligible by PRWORA, as well as those who were ineligible for benefits pre-PRWORA. However, as Section 208.021.1(2) is written, it does not limit its application to the PRWORA immigrant population, and so it comes into conflict with the requirements of Section 208.021.1(1). Section 208.021.1(1) requires FSD to consider all the income and resources of an individual for the pre-PRWORA immigrant population, not just on a pro-rata share. Furthermore, 7 CFR Part 273.11(c)(3)(ii) does not allow the methodology in Section 208.021.1(1) to be applied to the PRWORA immigrant population. Therefore, it is not clear how to reconcile Section 208.021.1(2) with Section 208.021.1(1).

DLS cannot determine a fiscal impact for Section 208.021.1(2) due to this conflict. DLS will defer to FSD for an analysis of the possible fiscal impact to the Food Stamp program.

Officials from the **Office of Administration - Information Technology Services Division/Department of Social Services (OA - ITSD/DSS)** provide the following information:

Currently, illegal immigrant income and financial resources are prorated when determining benefits. This proposal requires all income and financial resources of an illegal immigrant be included in determining benefits.

This change would require a code table change and running a mass adjustment program that already exists.

Total Cost: 40hrs X \$63.04/hr = \$ 2,522 (rounded)

Match rates for the Family Assistance Management Information System (FAMIS) are 50% GR and 50% Federal.

ASSUMPTION (continued)

Oversight assumes OA - ITSD/DSS can absorb the programming costs associated with this proposal as these administrative fees are reimbursed 50% by the federal government (\$1,261 General Revenue; \$1,261 Federal Funds).

§§208.031 and 208.032 - TANF and Casinos:

Officials from the **Missouri Gaming Commission (GAM)** state this legislation provides that Temporary Assistance for Needy Families (TANF) recipients cannot use their electronic benefit transaction (EBT) cards to obtain cash from gambling establishment ATMs. Casinos in Missouri already block these types of transactions; therefore, there is no fiscal impact on the operations of the GAM, the Gaming Fund (0286), or to the Gaming Proceeds for Education Fund (0285).

In response to similar legislation filed this year, HB 156, the following responded:

Officials from the **Department of Social Services (DSS) - Family Support Division (FSD)** state Section 208.032 of this proposal duplicates federal law found at 42 U.S.C. 608(a)(12).

Section 208.031 would require the FSD put into place a process for sanctions to be imposed if a Missouri cardholder makes a successful ATM withdrawal at any of these locations: "any casino, gambling casino, or gaming establishment." Currently, electronic benefit transfer (EBT) transactions at ATM's are voluntarily blocked by Missouri casinos. It is unknown how many casinos in other states voluntarily block EBT transactions at ATM's in their facilities. Many states that border Missouri have casinos close to the Missouri border. It is unknown how many other gaming establishments there are in Missouri that are not casinos, but have gambling activities. In addition, it is unknown if these establishments currently block, or would be willing to block, EBT transactions at ATM's in their facilities. As a result, the FSD is unable to determine how many sanctions would be imposed for successful transactions in these establishments. There will be administrative costs associated to any hearings resulting from this violation. Those costs will be addressed in the Division of Legal Services fiscal note.

Section 208.032 requires policies and procedures to be developed and set forth to ensure Temporary Assistance for Needy Families (TANF) benefits are not used at liquor stores, casinos, gambling casinos, gambling establishments or retail establishments that provide adult-oriented entertainment which do not include grocery stores that may be located within the same building or complex.

It is unclear if the FSD will have costs associated with implementing section 208.032. The passing of HR 3630 (2012) at the federal level does not establish whom costs would fall on in association with ensuring TANF benefits are not used at any of these establishments.

ASSUMPTION (continued)

Preliminary discussions with the current EBT vendor leads the FSD to believe that there will be difficulty in restricting the use of automated teller machines (ATM) that are in and around these establishments.

Possible obstacles include:

- Most ATMs are owned by banks or other financial institutions, as opposed to being owned by a casino or gaming establishment. Therefore, matching the ownership of the ATM with the business location will be nearly impossible;
- Matching the ATM address with the Casino address will not always produce reliable results. The ATM could be located at an adjoining or nearby hotel, restaurant, or service station; and,
- Any method to match up the names and addresses of ATMs and casinos (or other gaming establishments) will require a good deal of manual effort. In addition, the ATMs do not always stay in the same places.

Since the federal law found at 42 U.S.C. 608(a)(12) passed in 2012, the Department of Health and Human Services has not provided guidance to states on the implementation of this law. Therefore, the impact to the FSD is unknown.

Implementation of policy and procedures to prevent use of TANF benefits at liquor stores, casinos, gambling casinos, gaming establishments, or retail establishments that provide adult-oriented entertainment can be developed with current staff.

Officials from the **DSS - Division of Legal Services (DLS)** state the proposal would require the Family Support Division (FSD) to put into place a process for sanctions to be imposed if a Missouri cardholder makes a successful ATM withdrawal at any of these locations: "any casino, gambling casino, or gaming establishment." Recently, Congress passed the Middle Class Tax Relief and Job Creation Act of 2012 which prevents states from allowing unauthorized spending at these types of establishments as well. [Codified in 42 U.S.C. § 608(a)(12)(A)].

The DLS anticipates there will be additional administrative hearings due to the requirements of this proposal. However, it is not possible to estimate the number of such hearings because it is not possible to determine the number of individuals who will request such a hearing. Therefore, DLS cannot estimate the potential fiscal impact.

ASSUMPTION (continued)

The FSD is unable to determine if any individuals receiving TANF have been able to successfully use an ATM to make a cash withdrawal at any casino, gambling casino or gaming establishment. Therefore, DLS has no accurate data upon which to base a calculation. Currently, electronic benefit transfer (EBT) transactions at ATM's are voluntarily blocked by Missouri casinos.

Another complication is that there is no reliable way to determine exactly where the ATMs are located. Most ATMs are owned by banks or other financial institutions, as opposed to being owned by a casino or gaming establishment. Therefore, matching the ownership of the ATM with the business location is difficult to ascertain.

DLS believes that it will take approximately two hours to conduct each hearing required by this proposal. This will include hearing preparation, the actual hearing and the writing and reviewing of the hearing decision. DLS assumes that its hearing officers can hold approximately 900 hearings per year. The hearings should not require complex evidence or facts and the cases should not require the presence of a DLS litigation attorney. Therefore, once the number of potential hearings can be estimated it will be possible to determine the fiscal impact.

Oversight assumes since the DLS cannot determine the number of potential hearings that it might be required to hold as a result of this proposal, the DLS can request additional staff and resources through the appropriations process if the number of hearings become sufficiently large enough to warrant additional funding.

Officials from the **Office of Administration (OA) - Information Technology Services Division (ITSD) - DSS** provide the following:

§ 208.031 - Ineligibility for TANF benefits resulting from withdrawing funds at gambling establishments:

The Family Assistance Management Information System (FAMIS) would need to add a sanction code for Temporary Assistance for Needy Families (TANF) recipients and change one program to look for this code and an expiration date.

Assumptions

- ITSD Staff will make all the changes;
- Current rate for ITSD staff averages \$63.04 per hour; and,
- TANF is charged at 100% General Revenue.

HWC:LR:OD

ASSUMPTION (continued)

Estimate

20 hours Analysis
40 hours Modify Program Module to look for new sanction code
40 hours Modify Screen to accept new sanction code
40 hours Testing
140 hours

Total Cost: 140 hours X \$63.04/hr) = \$ 8,826 (rounded).

Oversight assumes OA-ITSD-DSS is given core funding to perform a certain amount of system modifications and assumes the modifications required by this proposal can be absorbed within current funding levels.

§208.151 - MO HealthNet Eligibility:

In response to similar legislation filed this year, HB 731, the following responded:

Officials from the **Department of Social Services (DSS) - Division of Finance and Administrative Services (DFAS)** state based on the number of children in foster care who are 20 years old (376), the DSS expects to provide coverage for 1,880 new people (estimated 376 people per year ages 21 -26). The cost per month of care averages \$291, resulting in a monthly cost of \$547,080 and an annual cost of \$6,564,960 (\$547,080 X 12) to cover 21- 26 year-olds who have aged out of foster care.

FY 14 is 9 months coverage ($\$6,564,960/12 = \$547,080$ monthly cost x 9 months = \$4,923,720).
FY 15 and FY 16 include an inflationary increase of 4% on a **calendar year basis**.

$[\$6,564,960/2 = \$3,282,480; (\$3,282,480 \times 1.04\% = \$3,413,779); \$3,282,480 + \$3,413,779 = \$6,696,259 \text{ for FY 15}]$;

$\text{FY 16} = \$6,696,259 \times 1.04\% = \$6,964,110$.

The funding for FY 14 through FY 17 is split using the FMAP match rate (61.865%); however, if Medicaid expansion should pass, then there would be no impact to state funds as the program would be 100% federally funded for FY 14 through FY 16.

ASSUMPTION (continued)

§§210.950 and 211.447 - Safe Place for Newborns Act:

In response to similar legislation filed this year, HB 668, the following responded:

Officials from the **Department of Social Services - Children's Division (CD)** state Section 210.950.3 expands the time a parent can voluntarily relinquish an infant at a designated "safe place" without criminal reprisal by increasing the age of the child from five days old to forty-five days old. As a result, there is a possibility of an increased number of infants entering the CD's custody under these circumstances. However, the number of children who would not otherwise come into care through other means, such as child abuse or neglect report, is not expected to be significant.

This legislation would require minor revisions to the Child Welfare Policy and revisions to the "Safe Place for Newborns" brochure. However, this cost would be minimal and could be absorbed by the Division.

The remainder of the proposal's provisions have no fiscal impact on the CD.

Officials from the **Office of State Courts Administrator** and **Barton County Memorial Hospital** each assume the proposal would not fiscally impact their respective agencies.

No other hospitals responded to **Oversight's** request for a statement of fiscal impact.

§211.036 - Youth Re-enter Foster Care:

In response to similar legislation filed this year, SB 208, the following responded:

Officials from the **Department of Social Services (DSS) - Children's Division (CD)** state in section 211.036, current statute provides that if a child is under the age of 18 and released from the custody of the CD and it appears that it would be in the best interest of the child, the Juvenile Office, the CD or the Child may petition the court to return custody of the child to the CD. This proposal changes "under age 18" to "under the age of 21".

It is unknown how many children from age 18 up to age 21 would reenter foster care based solely on what is in the best interest of the child and as a result of a petition filed by the Juvenile office, the Children's Division or the child. In Fiscal Year 2012, the cost for foster care per child is \$19,380. If five children came into care in a year, the cost would be \$96,900.

ASSUMPTION (continued)

The CD does not anticipate a large number of children re-entering foster care between the ages of 18 up to 21 as a result of this legislation; therefore, the fiscal impact is unknown, but less than \$100,000 annually.

Officials from the **Office of State Courts Administrator** assume the proposal would not fiscally impact their agency.

§453.072 - Fictive Kin:

In response to similar legislation filed this year, HB 968, the following responded:

Officials from the **Department of Social Services (DSS) - Children's Division (CD)** state currently section 453.072 provides adoption subsidy funds available to adoptive parents in section 453.073 and section 453.074 to qualified relatives who are granted legal guardianship and defines "relative" as any grandparent, aunt, uncle, adult sibling of the child or adult first cousin of the child.

This proposal adds great grandparent, great aunt, great uncle and changes adult first cousin to any adult cousin. This proposal also adds "fictive kin" which is defined for purposes of this section as "any individual, whether related or unrelated by birth or marriage, who is shown to have close personal or emotional ties with the child or the child's family prior to the child's placement with the individual."

In Calendar Year (CY) 2010, there were 456 (3.09% of the children in CD's custody) new legal guardianship entries. In CY 11 there were 521 (3.31% of the children CD's custody) and in CY 12 there were 612 (3.71% of the children in CD's custody).

The Children's Division projects that there will be 16,838 children in custody in FY14 and beyond. The CD also projects that the percentage of children who move to guardianship as a result of this legislation will increase by 25% to 4.64% ($3.71\% \times 1.25 = 4.64\%$, rounded up) resulting in a total of 782 ($16,838 \text{ children in CD custody} \times 4.64\% = 782$, rounded up) guardianships annually. This is an increase of 170 per year.

The annual amount paid by the CD for children in guardianship placements is \$3,243.50. The total annual placement cost for the additional 170 children would be \$551,395 ($\$3,243.50 \times 170 = \$551,395$); \$532,715 in General Revenue (GR) funds and \$18,680 in Federal Funds (FF).

ASSUMPTION (continued)

Because a child must first be in the custody of the CD prior to moving to guardianship placement, the CD also projects that there will be a reduction in foster care costs as a result of children moving to guardianship. The annual placement cost for a child in foster care is \$4,395. The total annual placement costs for the 170 children (if they had remained in foster care) would have been \$747,150; \$484,469 in GR and \$262,681 in FF).

Overall, there would be a cost savings in the first year of \$163,129; however, because of the loss of federal funds (no federal dollars can be claimed for non relative guardians and fewer guardianship children are IV-E eligible) under the guardianship program, the net result is an increased need for GR of \$40,205 with a reduction in federal funding of \$203,334.

For FY15 and FY16 the cost savings annually is \$195,755; an increase to GR of \$48,246 with a loss of FF of \$244,001.

Officials from the **Office of State Courts Administrator** assume the proposal would not fiscally impact their agency.

§453.350 - Children over 15 Years of Age in Foster Care to Visit College/University:

Officials from the **Department of Social Services (DSS) - Children's Division (CD)** state as of December 31, 2012, the CD had 2,776 children in foster care age fifteen and older. State colleges, community colleges, or technical colleges are spread throughout the state of Missouri and can be found within approximately 50 - 75 miles of even the most rural areas of Missouri and, in most areas, much closer. The CD assumes that most of the foster children live within 25 miles of a state college, community college or technical college. Using 50 miles as the average round trip miles and utilizing the Missouri's State Fleet Management Trip Optimizer, state car mileage expenses are \$0.37 per mile.

Assuming the CD makes a single trip for each and every foster child over the age of fifteen to a state college, community or technical college, the presumed costs would be:

2,776 foster children x 50 miles x \$0.37 cents per mile = \$51,356

The CD currently covers the cost for some of these types of visits through existing funding or through school sponsored events, etc. The costs associated with any additional visits required under this legislation that are not currently occurring would be absorbed by the Division. Therefore, the fiscal impact is zero.

ASSUMPTION (continued)

The CD does not believe that additional appropriations would be required to comply with 453.350.3 as these types of visits are already occurring for many of these youth. Provided that case management agencies are not already this for all children, and this is documented as a new cost, the CD would plan to meet this requirement within existing appropriations.

Officials from the **DSS - Division of Youth Services (DYS)** state during the past several years, the DYS has increased the amount of focus and support on secondary education completion and post secondary pursuit for the youth in its custody. With this effort, many of the eligible youth have had the opportunity to visit a college or vocational training center either individually with their service coordinator or as part of a field trip. Therefore, it is the DYS' estimation while costs were submitted in 2011 at \$12,780, the DYS is confident that the provisions of this proposal can be implemented with any additional costs absorbed within current funding levels.

Oversight notes this version of the proposal adds subsection .3, which provides that agencies providing case management services for foster care children can request reimbursement for costs associated with meeting the requirements of this section. Oversight assumes the CD and the DYS may seek additional appropriations if the additionally requested reimbursements cause a significant increase above current expenditures.

Officials from **Northwest Missouri State University** state, assuming the receiving college or university isn't expected to defray the cost of the foster care student's travel to/from campus, no fiscal impact to the university is expected.

Officials from **Metropolitan Community College** state this proposal could have a positive, although unknown, fiscal impact on their organization. The impact is not likely to be significant.

Officials from **Lincoln University, Linn State Technical College, Missouri State University, Missouri Western State University, the University of Central Missouri** and the **University of Missouri** each assume the proposal would not fiscally impact their respective agencies.

In response to similar legislation from the current session (SB 205), officials from the **Missouri Southern State University** assumed the proposal would not fiscally impact their agency.

No additional universities or colleges responded to **Oversight's** request for a statement of fiscal impact.

ASSUMPTION (continued)

§488.607 - Surcharge Imposed Upon Criminal Cases:

Officials from the **Office of the State Courts Administrator (CTS)** state this proposal increases, from \$2 to \$4, the surcharge that may be imposed upon criminal cases that is to be used to provide financial assistance to domestic violence shelters.

Based on FY 2012 data, there are approximately 416,666 filed criminal cases. We anticipate the increase in the surcharge would be approximately \$626,000 in any given year.

In response to similar legislation file this year (HB 251), the following responded:

Officials from the **Department of Social Services** stated there is no direct fiscal impact on their agency. The money raised by this fee is administered and expended by the various county governments at the local level.

Officials from the counties of Boone, Callaway, Cass, Greene, Jefferson, and Johnson did not respond to our request for fiscal impact.

Oversight will reflect ten months of impact in FY 2014.

§§556.061 - 566.212 - Sexual Offenses Against a Child:

Officials from the **Department of Corrections (DOC)** state Statutory Rape I and Statutory Sodomy I would become dangerous felonies, by legal definition, due to passage of this proposal which would require offenders serving 85% of the sentence prior to eligibility for parole. This effect would take place after current sentences are served or over 12 years out and the additional time served would calculate to 93 offenders per year.

This proposal would add Statutory Rape I and Statutory Sodomy I to the list of offenses (forcible rape and forcible sodomy are the current offenses) which would require sentences to be served consecutive to other sentences. This effect would take place after current sentences are served or over 12 years out and the additional time served is an approximate increase of 7.9 years. This calculates to 864 offenders per year.

This proposal also increases penalties for several sex crimes when the offender had a prior conviction of incest with the victim. DOC receives few convictions for incest. Currently, the DOC cannot predict the number of new commitments which may result from the enhancement of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

ASSUMPTION (continued)

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender cost either through incarceration (FY12 average of \$17.059 per offender, per day, or an annual cost of \$6,227 per inmate) or through supervision provided by the Board of Probation and Parole (FY12 average of \$4.960 per offender, per day, or an annual cost of \$1,810 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Seventeen (17) persons would have to be incarcerated per each fiscal year to exceed \$100,000 annually. Due to the narrow scope of the enhancements of these crimes, it is assumed the impact would be less than \$100,000 per year for the DOC. Long term effect due to passage of this proposal is expected to exceed \$100,000 per each fiscal year but the impact is beyond the scope of this fiscal note.

In response to similar legislation filed this year, HB 535, the following responded :

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons faced with the enhanced penalties for statutory rape in the first degree or for any of the listed offenses if the Public Defender has pled guilty or has been convicted of the crime of incest against the victim.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials from the **Office of the State Courts Administrator**, the **Office of Prosecution Services**, and the **Department of Public Safety - Missouri Highway Patrol** each assume the proposal would not fiscally impact their respective agencies.

Bill as a Whole:

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet

ASSUMPTION (continued)

these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Department of Agriculture, Office of Administration (OA) - Administrative Hearing Commission, the Department of Elementary and Secondary Education, the Department of Higher Education, the Department of Mental Health, the Department of Health and Senior Services, the Department of Public Safety - Missouri State Highway Patrol and the City of Kansas City** each assume there is no fiscal impact to their organization from this proposal.

Officials from the **OA - Information Technology Services Division (ITSD)** defers to the Department of Social Services for ITSD's costs relating to this proposal.

House Amendment #1 - Food Stamps (SNAP) for Felons:

Due to time constraints, **Oversight** is using agency responses from an identical bill (HB 838) from the current session.

Officials from the **Department of Social Services (DSS) - Family Support Division (FSD) - Income Maintenance Unit** state based on the number of new releases from the Missouri Department of Corrections (DOC), overall recidivism rate, known factors within the Family Assistance Management Information System (FAMIS) and application rate, it is assumed that there will be a potential of 1,141 new cases for the Food Stamp Program in FY 14. According to information from the DOC, the overall recidivism rate has been decreasing, which increases the number of potential new cases for the Food Stamp Program.

Due to the change in organization structure and the requested new eligibility system, the FSD assumes existing staff will be able to maintain the increased caseload size and take applications.

ASSUMPTION (continued)

The FSD assumes existing Central Office Program Development Specialists in the Policy Unit will be able to complete necessary policy and/or forms changes.

The FSD assumes OA-ITSD will include the FAMIS programming costs needed to implement the provisions of this proposal in their fiscal note response.

There will be increased Electronic Benefit Transfer (EBT) costs to process the additional Food Stamp payments to recipients. In the past, the increased EBT costs could have been absorbed with core funding, however, caseloads have grown significantly and there is no longer sufficient funds available to absorb this increase in caseloads.

The cost of EBT services to process each Food Stamp case is \$0.59 per month. Since it is projected that 1,141 new cases would be added each year over a period of five years, the estimated increased cost for EBT is:

FY14: 1,141 cases x 10 months x \$0.59 = \$6,732 (rounded)
FY15: 2,282 (1,141 + 1,141) cases x 12 months x \$0.59 = \$16,157 (rounded)
FY16: 3,423 (2,282 + 1,141) cases x 12 months x \$0.59 = \$24,235 (rounded)
FY17: 4,564 (3,423 + 1,141) cases x 12 months x \$0.59 = \$32,313 (rounded)
FY18: 5,705 (4,564 + 1,141) cases x 12 months x \$0.59 = \$40,391 (rounded)

Match rates are assumed to be 50% Federal/50% General Revenue.

Officials from the **DSS - Division of Legal Services (DLS)** state the DLS conducts administrative hearings for individuals who are denied food stamps because the person has pled guilty, or has been found guilty under federal or state law of a felony involving possession or use of a controlled substance. In FY 11, the DLS administrative hearing unit held 14,199 hearing requests. Only forty (40) hearings involved hearings on convicted drug felons being denied Food Stamp benefits. By eliminating the prohibition of convicted drug felons receiving Food Stamp benefits, it is assumed this legislation will reduce the number of hearings involving convicted drug felons. Assuming the forty (40) hearings held in FY 11 were reduced to zero, this would lead to a reduction by less than one percent in the total number of DLS administrative hearings. A DLS administrative hearing officer's caseload is presumed to be 900 hearings per year. A DLS administrative hearing officer is presumed to hold twenty (20) hearings per week. There are eighteen (18) hearing officers. The presumed effect of this legislation will be to eliminate approximately two hearing per year for each hearing officer. Therefore, based on these assumptions, it is concluded that this legislation will not have a fiscal impact on DLS at this time.

The new legislation has specific criteria for receiving Food Stamp benefits post felony drug conviction. An application may be denied not simply for having a felony drug conviction but by failing to meet any one of those criteria in 208.247.1.

ASSUMPTION (continued)

The Family Support Division estimates that there will be 1,141 new cases for the Food Stamp Program because of this proposed legislation. However, it is not possible to estimate what percentage of these new Food Stamp cases will result in additional administrative hearings, if any. Therefore, it is not possible to estimate whether these hearings will exceed the number of Food Stamp disqualification hearings that will no longer be held.

Oversight assumes the DLS can absorb the additional hearings that may result from this legislation, if any. However, if the number of hearings increases substantially, the DSS may seek additional appropriations through the appropriations process.

Officials from the **Office of Administration - Information Technology Services Division (ITSD)/Department of Social Services (DSS)** provide the following assumptions for this proposal:

§ 208.247 - Supplemental Nutrition Assistance Program (SNAP)for Certain Felons:

The following changes would need to be made to Family Assistance Management Information System (FAMIS):

1. The Sanction/Disqualification screen would require modifications.
2. The eligibility determination algorithm for SNAP would have to be modified to include individuals that would no longer meet sanction or disqualification criteria.
3. A new screen would need to be created to track compliance (offenders may be in treatment, completed treatment or be on a waiting list).
4. New reports would need to be created in the FAMIS Managed Reporting system to facilitate compliance tracking.
5. FAMIS correspondence to clients would need to be modified with language regarding disqualifications associated with a drug felony conviction and requirements to participate in a drug/alcohol treatment program to re-qualify.
6. Some clients that are currently sanctioned may be enrolled or have completed a treatment program. Would need to generate a report listing these individuals so eligibility specialists can re-evaluate eligibility for this population.

ASSUMPTION (continued)

Activities	Estimated Hours
Analysis and Design	300
Create/Update Specification Documents	80
Update Data Model (OCCR)	80
Modify Eligibility Determination Process	160
Modify Sanction/DQ Screen	80
Create New Compliance Screen	160
Data Warehouse Extracts Modifications	100
Reports Programming—Modify Existing/Create New	100
Notices Extract Programming	120
AFP Programming for Notices	120
Sanctioned Individuals Report (one-time execution)	40
Testing/Coordination (Unit and System)	180
Total	1520 hrs

Assumptions:

1. Proof of participation in an approved drug/alcohol abuse program will be in the form of documentation provided by the client.
2. Estimates for programming to generate notices to recipients assume that contract staff will code the extracts and state staff will code the Advanced Function Printing (AFP) modules.
3. Estimate for Managed Reporting function assumes that consultants will complete the changes for the data warehouse extract programming and existing state staff will complete the programming for the WebFOCUS reports.
4. Estimate for identifying currently sanctioned individuals and listing them on a report for eligibility evaluation assumes work will be completed by state staff.
5. There will be no impact after FY14 so projecting no costs beyond the first year.
6. State staff costs are \$63.04/hr
7. Contract Staff would be required for this effort at \$90.00/hr.

Total Cost: (220hrs X \$63.04/hr) + (1300hrs X \$90.00/hr) = \$ 130,868 (rounded)

Match rates for FAMIS are 50% GR and 50% Federal.
 Cost from General Revenue Funds = \$ 65,434
 Cost from Federal Funds = \$ 65,434

ASSUMPTION (continued)

ISSUE: All of the changes mentioned on this proposal for FAMIS would potentially be implemented on top of the proposed MAGI implementation scheduled for the end of this year. Costs become unknown as the technology and application used are unknown at this time.

Oversight notes this legislation is similar to HB 529 from the current session which had a cost of \$81,000 (\$40,500 General Revenue (GR); \$40,500 Federal Funds). Due to the unknown impact of the possible Modified Adjusted Gross Income (MAGI) implementation scheduled for the end of this year, Oversight will present an unknown, could exceed \$81,000 impact for ITSD (\$40,500 GR; \$40,500 Federal) for FY 14.

Officials from the **Office of Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect that additional funding would be required to meet these costs. However, it is also recognized that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Department of Mental Health (DMH)** assume those eligible for the supplemental nutrition assistance program and subject to this legislation will be placed on waiting lists for substance abuse treatment and provided such treatment as openings become available. DMH assumes there will be no fiscal impact to the department as a result of this legislation.

Officials from the **Department of Corrections (DOC)** state passage of this proposal would not have a direct fiscal impact of the DOC although it would affect certain offenders in various treatment programs in the community as outlined in the proposal. Food stamps for these individuals could help them sustain their commitment to their treatment programs, which may prove to be a catalyst against recidivism.

Officials from the **Department of Health and Senior Services** assume the proposal would not fiscally impact their agency.

ASSUMPTION (continued)

House Amendment #2 - Child Abuse and Neglect Central Registry:

Due to time constraints, **Oversight** is using agency responses from similar legislation (HCS HB 557) from the current session.

Officials from the **Department of Social Services (DSS) - Division of Legal Services (DLS)** provide the following:

Section 210.145 - Language added to this section requires that the division update the information system to reflect any changes in tier classification that take place. This would place an additional legal duty on the division in terms of updating and maintaining the information system. DLS may be required to provide guidance and assistance to the division in complying with these new requirements. Any additional work created by this section can be absorbed by existing staff. There will be no fiscal impact on DLS or DSS.

Section 210.152.1 - This proposal adds language that requires the Children's Division (CD) to classify hotline reports into tiers. These categories are based on findings that result at the end of an investigation and not at the point when the initial call is made; therefore, this proposal should result in changes to structured decision-making screening and classification protocol. Child abuse and neglect (CA/N) history searches, which are conducted at the time of the call would include dispositional information on prior report, and could include tier classification as well. The creation of this classification system itself will not have any fiscal impact on DLS. Its implementation will largely fall to the CD. The proposal does allow for promulgation of rules under this section and requires these rules to be in place by July 1, 2014. This may have minimal impact on DLS in requiring work to promulgate these rules, but the additional work could be absorbed by current staff.

Section 210.152.2(1) - This proposal requires identifying information described in subsection 1 of this section to be retained by the division, and removed from the records of the division as follows:

- (a) All tier one reports shall be placed on the registry for life; and
- (b) All tier two reports - Placed on the registry for 5 years, unless the individual is found to have committed another act of child abuse or neglect in such 5 year period, in which case the individual shall be classified as a tier one report. Tier two reports shall be eligible for closure at the expiration of such 5 year period; and,
- (c) All tier three reports - Placed on the registry for 2 years and automatically closed at the end of 2 years; except that, a person shall be placed back on the registry for any subsequent acts of abuse or neglect such person is found to have committed.

ASSUMPTION (continued)

These schedules should have no fiscal impact on DLS. DLS is not involved with the maintenance of records currently, and to the extent that legal questions arise about records retention, this work could be absorbed by current DLS staff.

Section 210.152.2(2)(c) - Current law requires unsubstantiated investigative reports, which were called in by mandated reporters to be retained for 5 years, and at the end of that period the identifying information is to be removed from the division's records. This proposal adds "automatically" removed. This language may be read to create a legal obligation on CD's part to implement systems that remove individual's names automatically to the extent that such a system does not already exist. This change will have no fiscal impact on DLS.

Section 210.152.2(3) - Current law requires reports classified as family assessments to be retained by the division. This proposal adds "in accordance with provisions of this subsection." Complying with these legal requirements may require some legal advice from DLS, but any work could be absorbed by existing staff. This addition will have no fiscal impact on DLS.

In section 210.152.3, current law requires the division to notify the alleged perpetrator named in the report and the parents of the child named in the report, if the alleged parent is not the alleged perpetrator, in writing within 90 days after the receipt of a report of child abuse or neglect the finding. This proposal adds to the notice the tier classification of the report and the retention information determined by the tiered system. Complying with these legal requirements may require some legal advice from DLS, but any work could be absorbed by existing staff. This addition will have no fiscal impact on DLS.

Section 210.152.9 - This proposal adds the following changes:

Subsection (1) - Allows individuals placed on the child abuse and neglect registry to petition the CD for potential closure of all identifying information from the registry based on such individual's classification under subsection 1 of this section. If the petitioner is aggrieved by the CD's determination, the petitioner could request a review before the Child Abuse/Neglect Review Board (CA/N RB), and could then seek a judicial review of their petition. This language can reasonably be expected to substantially increase the number of cases that will be handled by the CD for administrative review and creates an entire new category of such cases (currently the CD only conducts administrative reviews for initial investigation "preponderance of evidence" findings). This language creates an additional legal obligation for the CD in terms of its administrative responsibilities. The CD workers may need additional training or legal guidance to decide such cases in accordance with this statute. If the CD submitted additional referrals to the DLS in the future to assist with these decisions, or to appear at subsequent CA/N RB hearings, there may be a fiscal impact, but the fiscal impact is unknown at this time.

ASSUMPTION (continued)

Subsection (2) - This proposal provides that a petition for closure under this subsection shall state good cause for removal, which shall include, but not be limited to:

- (a) Proof of rehabilitation;
- (b) Acceptance of personal responsibility for placement on the registry;
- (c) A bona fide need for removal from the registry; and
- (d) At least two letters supporting the petition from two individuals not related by blood or marriage.

Subsection (3) - This proposal provides that if the petitioner has satisfied the criteria in subsection (2) and the child abuse and neglect review board determines that the petitioner poses no significant risk to children or other vulnerable populations, the board shall grant a petition.

Subsection (4) - This proposal allows any individual aggrieved by the decision of the child abuse and neglect review board to seek de novo judicial review of such decision, or refile such petition for closure with the board within 2 years after the final denial of such petition.

DLS estimates that this section will have a substantial fiscal impact on DLS. Current law does not provide for a procedure for removing names from the central registry except for the limited procedure passed in SB 54 (2012), so there is no data to accurately estimate the number of requests to expunge that DLS can expect. The CD's data establishes that approximately 4,000 individuals are added to the registry every year. Currently, approximately 10% of the individuals who were added to the registry requested an administrative review of CD's preponderance of evidence finding. Approximately a quarter of that 10% also filed a petition for de novo judicial review. DLS estimates that petitions filed by individuals to have their name expunged from the registry would be similar to the number of petitions filed for de novo judicial review with an estimate of 100 new cases a year. De novo judicial review cases are full trials on the record. The rules of civil procedure, including the right to discovery, and the rules of evidence will apply. DLS estimates that litigation of a de novo review case will take approximately 40 hours of attorney time. This would result in 4,000 additional hours of work for DLS attorneys (100 x 40). One attorney works approximately 1,864 hours per year [(40 hours x 52 weeks) - 120 hours vacation - 96 hours state holidays], the extra work created by these de novo reviews could not be absorbed by current staff. This would require approximately two new positions for DLS in FY 2015. These estimates are based on conservative estimations of current similar DLS work; however, determining the exact impact of these new cases will be difficult until this new appeals system is in place. As this statute would go into effect on July 1, 2014, these new attorneys would not need to be hired at the beginning of the year. The de novo trials would not begin until after petitions had been ruled on by CD and then the CA/N RB. It would likely take at least six months to a year before petitions for de novo judicial review would add substantial new casework for DLS attorneys at the Circuit Court level. Therefore, for FY 14, DLS does not anticipate a significant fiscal impact.

ASSUMPTION (continued)

This fiscal note estimates that two additional attorneys would be necessary to handle the increased case load as petitions for judicial review begin to be filed in FY 15 and subsequent years based on the estimates of increased cases discussed above.

Subsection (5) - This proposal provides that when a closure is granted, the department shall maintain a sealed record of the underlying report and investigation of child abuse or neglect. Such record shall be available only to child protection investigators, law enforcement officials who need access to such record as part of an open investigation related to an allegation of child abuse or neglect, or parties to a court action with a bona fide need for such records. Legally, this would require the CD to provide records to a broader group of individuals than 210.150 currently allows. Section 210.150 only allows disclosure to a limited group including law enforcement, parents of victims, alleged perpetrators, and a court hearing child custody issues with a need for said information to carry out its responsibilities under the law to prevent child abuse and neglect. To the extent that this creates additional records request work for DLS attorneys handling subpoenas, this extra work could be absorbed by existing staff. Therefore, this subsection's changes would have no fiscal impact on DLS.

Section 210.153 - This proposal modifies provisions related to the CA/N RB to allow the board to hear petitions for closure. This will create additional work for the CA/N RB. DLS attorneys rarely appear in front of the CA/N RB. Any additional work created could likely be absorbed by existing staff. This would have no fiscal impact on DLS.

The DLS estimates a Federal match rate of 30%. The remaining costs will be split 60% GR and 10% Other State Funds.

FY 14 costs are estimated to be \$0; FY 15 costs are estimated at \$139,103; and FY 16 costs are estimated at \$139,077.

Officials from the **DSS - Children's Division (CD)** provide the following information:

Child Abuse and Neglect Review Board (CANRB)

In 2012, the Children's Division had 5 CANRB's

- Each Board meets one time a month;
- Each board can do 8 cases a day;
- With all 5 boards in operation, the board can do 40 cases a month and 480 cases a year. Thus each board can hear approximately 100 cases annually; and,
- In 2012 the 5 CANRB reviewed 414 cases.

Child Abuse and Neglect Hotline Unit (CANHU)

Currently the CANHU provides administrative support for the CANRB. For 5 CANRBs, the following staff is required:

ASSUMPTION (continued)

- One full time Children's Service Specialist;
- One full time Children's Service Worker;
- One full time clerical staff;
- Two part time field staff;
- Requires CANHU Unit Manager to provide some oversight; and
- Requires county staff to compile and send records for each case that is reviewed.

Child Abuse and Neglect Central Registry:
Initial implementation

Required modifications to the information system (FACES - Family and Children's Electronic System) that would result of this legislation are as follows:

- Add Tier Classification to FACES Conclusion screens;
- Add Tier Classification to FACES notification letters
- Add Tier Classification to "Description of the investigation process"
- Add Tier Classification to other printed material (worker, mandated reporter training, public information)
- Allow FACES to change Tier Classification based on:
 - Tier 2 to Tier 1 with subsequent report
 - Tier T removal after 5 years and after a petition for removal is granted
 - Tier 3 automatic removal after 2 years
 - Tier 3s that have been removed would go back on the registry with a subsequent substantiated report.
- Create notification letters for all changes in Tier Classification.

See ITSD Fiscal Note.

Drafting of Administrative Rules regarding Tier Classification:
July 1, 2014 - Begin classification of all substantiated cases by Tier

Tier 1 - On the registry forever; no action required except notification;

Tier 2 - Tier 2 reports prior to July 1, 2014, will only be reviewed for classification if the person on the registry requests the review. Eligible for petition after 5 years, if no subsequent reports within. Subsequent reports change a tier 2 to a tier 1. No action required unless a petition is received. Set a date for Tier 2's to become eligible. Requires notification of eligible date either at the time of initial contact or when a person changes tier (if no subsequent reports are received);

ASSUMPTION (continued)

Tier 3

- Tier 3 reports prior to July 1, 2014, will only be reviewed for classification if the person on the registry requests the review.
- All tier 3s stay on the registry if they get a subsequent report;
- Tier 3s may change tiers if they are court adjudicated (tier 1) or remain in foster care due to CA/N for 90 days or more (Tier 2)
- Send notification of case closure date. (if no subsequent reports are received.)
- Set up automatic case closure after two years for new cases (if no subsequent reports are received).

The Alleged Perpetrator Appeal Process:

The Tier system would only apply to substantiated or court adjudicated findings that were not overturned on appeal. There are approximately 4,000 alleged perpetrators who would be eligible to petition the CANRB. CD assumes 1,000 of these would actually require review.

The first level of review would be an administrative review completed by the CD. It is assumed that each review would take approximately 4 hours. The Division would centralize this review by the addition of 2 Children's Service Specialists, 1 Unit Manager and 1 Administrative Office Support Assistant to complete 1,000 reviews. These staff are requested for 2 months of FY 14 to establish procedures, promulgate rules, and develop business requirements and test the changes to the automated system.

The Division also assumes that of the 1,000 reviews completed by the CD, approximately 500 would request a review by the CANRB. Each CANRB currently requires 1 Children's Services Worker, 1 Children's Services Specialist and 1 Office Assistant to support 5 CANRBs. Since each CANRB can hear 100 cases annually, an additional 5 review boards would be required to cover the 500 cases identified above. Support staff would be needed for these additional CANRBs. An additional 1 Children's Services Worker, 1 Children's Services Specialist and 1 Office Assistant will be needed. These staff are requested beginning in FY15.

In CY 12, expenditures for the 5 CANRBs was approximately \$25,000. If these CANRB's were doubled, expenditures would increase \$25,000. Based upon historical spending, approximately \$5,000 is needed to support each CANRB. The addition of 5 CANRBs would result in the need for \$25,000 to support these review boards. These review boards would begin in FY 15.

The match rate for this proposal is assumed to be approximately 67% State/33% Federal.

Therefore, the DSS-CD estimates FY 14 costs of \$77,688 (\$52,408 GR; \$25,280 Federal); FY 15 costs of \$422,391 (\$284,945 GR; \$137,446 Federal); and FY 16 costs of \$427,158 (\$288,161 GR; \$138,997 Federal).

ASSUMPTION (continued)

Officials from the **Office of Administration (OA) - Information Technology Services Division (ITSD) - DSS** state this proposal would require multiple changes to the Family and Children's Electronic System (FACES) in the Protocols (Intake) and expungement processes.

<u>Function</u>	<u>Work Effort (hours)</u>
Analysis and Design	160 hours
Create/Update Specification Documents	70 hours
Database Modifications	40 hours
Expungement Batch	80 hours
Expungement Files	80 hours
In-take (Process & screens modifications)	160 hours
IA (modifications)	240 hours
Letters (AFP modifications)	80 hours
Conversion	460 hours
Unit Test	40 hours
System/Regression Test	80 hours
<u>User Acceptance Testing</u>	<u>80 hours</u>
Total:	<u>1,570 hours</u>

Contract Staff would be required for this effort at \$90.00/hr

Total Cost: 1570 hours X \$90.00/hr = **\$ 141,300**

Match rate for FACES is 50% GR and 50% Federal.
Cost from General Revenue Funds = \$70,650
Cost from Federal Funds = \$70,650

House Amendment #3 - Show-Me Healthy Babies Program:

Due to time constraints, **Oversight** is using agency responses from an earlier version of this proposal.

Officials from the **Office of Administration (OA) - Commissioner's Office** state under the Alternatives-to-Abortion (A2A) Program administered by OA, portions of this legislative proposal would duplicate services provided under section 188.325, RSMo.

Due to the duplication of services and the differences between the services provided, it is unknown at this time how the A2A program would be impacted if this proposal received passage.

In response to similar legislation filed this year, HB 716, the following responded:

Officials from the **Department of Social Services (DSS) - MO HealthNet Division (MHD)** provide the following:

ASSUMPTION (continued)

Section 208.662. 1. creates the "Show-Me Healthy Babies Program" which would provide medical coverage to unborn children through the children's health insurance program (CHIP).

Section 208.662. 2. sets the income eligibility of the program at no more than 300% of the federal poverty level (FPL), subject to appropriations.

Section 208.662. 3. states that medical coverage would be limited to prenatal care and pregnancy-related services that benefit the health of the unborn child and that promote healthy labor, delivery, and birth.

The Family Support Division (FSD) assumes that 2,376 unborn children will be enrolled. This is the number of Medicaid for Pregnant Women (MPW) who were denied coverage for income between 185% and 300% of FPL. MHD assumes that the cost of coverage would be similar to the current coverage for the MPW population, which could include other medical issues for the mother that could affect the unborn baby (for example, diabetes or an infection). The cost per member per month (PMPM) for the MPW population is \$563.37. Total cost for a year would be \$16,062,819 (2,376 x \$563.37 x 12). There may be some additional unknown costs for programming, so that this new category of aid can be identified.

Section 208.662. 4. requires the department of social services to set up a presumptive eligibility procedure for enrolling an unborn child.

FSD currently has presumptive eligibility procedures in place.

Section 208.662. 5. states that coverage for the child shall continue for up to one year after birth.

MHD currently covers children age 0 - 1 between 185% - 300% of FPL under the CHIP program. This would have no additional fiscal impact on MHD.

Section 208.662.6 requires coverage for the mother to continue through the last day of the month that includes the sixtieth day after the pregnancy ends. Coverage for the mother shall be limited to pregnancy-related and postpartum care.

These costs would be included in the yearly cost of the MPW population.

Section 208.662. 7. requires the department of social services to ensure that there is no duplication of payments for services for an unborn child and an eligible pregnant woman.

MHD currently has these checks in place. This would not result in any additional fiscal impact.

ASSUMPTION (continued)

Section 208.662. 8. defines the ways that the department of social services may provide coverage. These include paying the health care provider directly or through managed care; a premium assistance program; or a combination of the two.

MHD assumes a one-time cost for managed care rate development of \$50,000.

Section 208.662. 10. requires the department of social services to submit a state plan amendment within sixty days after the effective date of this section to United States Department of Health and Senior Services.

MHD currently has a state plan amendment for CHIP. MHD assumes that we could submit this new state plan amendment with our existing staff.

Section 208.662. 11. requires the department of social services to prepare and submit a report on cost savings and benefits at least annually.

MHD assumes that they would contract this service out at a cost of \$40,000 per year.

Section 208.662. 12. states that the show-me healthy babies program shall not be deemed an entitlement program, but instead shall be subject to federal allotment or appropriations and matching state appropriations.

Section 208.662. 13. states that the state is not obligated to continue this program if the allotment or payments from the federal government end or are not sufficient to operate the program, or if the general assembly does not appropriate funds for the program.

MHD assumes that if the waiver were not approved or if state match were not appropriated, that this program would cease to exist.

Section 208.662. 14. states that nothing in this section shall be construed as expanding MO HealthNet or fulfilling a mandate imposed by the federal government or the state.

Total costs for the program, would be \$16,062,819 in FY14 for the unborn population plus \$40,000 per year for reporting, and a one-time rate development cost of \$50,000 and a one-time unknown cost for programming in FY14. It is also assumed that the unborn cost in FY14 will only be for a 10-month period. A 3.9% medical inflation was added to the FY12 program costs for FY13 and FY14 to arrive at the FY14 cost. An additional 3.9% medical inflation cost was added to FY15 and FY16. The federal match for CHIP services is 73.305%. Rate development, reporting and programming costs would receive a federal match rate of 50%.

ASSUMPTION (continued)

FY14 (10 months): > \$14,540,125 (GR \$3,902,461; Federal \$10,637,664);
FY15: >\$18,056,416 (GR \$4,829,482; Federal \$13,226,934); and
FY16: >\$18,759,056 (GR \$5,017,052; Federal \$13,742,004).

Officials from the **DSS - Family Support Division (FSD)** provide the following assumptions:

§ 208.662 - Show-Me Healthy Babies Program:

Federal rules found in 42 CFR 457 allow states the option to consider an unborn child to be a 'targeted low-income child'. This allows an unborn child to be eligible for health benefits coverage under the Children's Health Insurance Program (CHIP) if other applicable eligibility requirements are met.

The definition of 'targeted low-income child' is found at federal rule 42 CFR 457.310. This definition limits the family income to no more than 200% of the federal poverty level (FPL). However, in Missouri, the income limit is currently set at 150% FPL for targeted low-income children. Therefore, the income limit for unborn children would be limited to 150% FPL in order to receive Federal Financial Participation (FFP, or federal matching) funds unless a waiver is requested from the federal government to expand coverage for unborn children above 150% FPL. If a waiver is not granted, unborn children coverage above 150% FPL would not be eligible for FFP and would have to be paid 100% from General Revenue (GR) funds.

The MO HealthNet for Pregnant Women (MPW) program currently covers pregnant women with family income up to 185% FPL and covers all medical services, not just prenatal care and pregnancy-related services. Therefore, FSD anticipates only unborn children whose family income is greater than 185% FPL, but less than 300% FPL would be eligible for the Show-Me Healthy Babies Program. Based on the average number of MPW cases rejected due to income above 185% FPL, but with income below 300% FPL, the FSD estimates at least 2,376 unborn children would be eligible for this program each year.

Due to the change in organization structure and the requested new eligibility system, FSD assumes existing staff will be able to maintain the increased caseload size and take applications. However, if the funding is not available for the new eligibility system, FSD would need up to ten (10) additional staff to manage the new cases. The FSD anticipates the cost for staff would exceed \$250,000; FY 14 is based on 10 months. A 50/50 federal/state match is assumed.

The FSD assumes existing Central Office Program Development Specialists in the Policy Unit will be able to complete necessary policy and/or forms changes.

ASSUMPTION (continued)

The FSD assumes OA-ITSD will include the FAMIS programming costs needed to implement the provisions of this proposal in their fiscal note response.

Officials from the **OA - Information Technology Services Division (ITSD) - DSS** provide the following assumptions:

Activities	Hours
An auto batch program to create these applications	160
Data Gathering	160
Technical Eligibility Determination	250
Income Eligibility Determination	250
Assistance Grouping changes	200
Possible New Screen(s)	200
Possible changes on the Pregnancy Detail Screen	160
Presumptive Eligibility Procedure (Should be built into the Technical or Income Determination)	160
Coverage up to one year after birth/ Ex-Parte etc (Is this in addition to the existing newborn benefits that the system provides now?)	160
Possible changes on the Managed Care Batch Program	160
Forms/Notices	160
Extracts/Reports	160
Annual Report (Analysis of Cost Savings/Benefits)	80
Total	2260 hrs

Assumptions:

- The estimates for FAMIS are given as if the changes would be made in the current FAMIS system;
- If the changes for this proposal are implemented on top of the Modified Adjusted Gross Income (MAGI) implementation, then costs become unknown as the MAGI technology and application are unknown at this time; and
- This effort would require contract staff whose current rate averages \$90.00/hr.

FAMIS Total: 2260 hours X \$90.00/hr = \$ 203,400.

Analysis/Design/Create/Modity Specs	100 hours
Coding	160 hours
Testing	<u>40 hours</u>
Total	300 hours X \$63.04/hr = \$ 18,912

ASSUMPTION (continued)

Or, if implemented on top of MAGI, the cost becomes - Unknown, greater than \$18,912.

For fiscal note purposes, ITSD is not assuming changes for this proposal will be implemented on top of the MAGI implementation. Therefore, the total impact for fiscal note is assumed to be:

FAMIS	\$ 203,400
MHD	<u>18,912</u>
Total	<u>\$ 222,312</u>

Match rate is 50% General Revenue and 50% Federal.

Officials from the **OA - Division of Budget and Planning** assume the proposal would not have a fiscal impact.

House Amendment #4 - Emergency Placement of a Child in a Private Home:

Due to time constraints, **Oversight** assumes based on its review of Sections 210.482 and 210.487, the proposal will have no significant impact on any state agency. If a significant impact is later incurred, Oversight assumes any agency needing additional funding for the provisions of this amendment will seek additional funding through the appropriations process.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE FUND			
<u>Savings - DSS-CD</u>			
Reduction in foster care expenditures (\$453.072)	\$403,724	\$484,469	\$484,469
<u>Costs - DOC</u>			
Increased costs from incarceration / probation * (§§556.061, 558.026, 566.030 - 566.212)	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
<u>Costs - OA</u>			
Show-Me Healthy Babies (§208.662)	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
<u>Costs - OA-ITSD-DSS</u>			
System programming changes (\$208.662)	(\$111,156)	\$0	\$0
System programing expenditures (§§ 210.145, 210.152 & 210,153)	(\$70,650)	\$0	\$0
Programming and system changes (\$208.247)	<u>(Unknown could exceed \$40,500)</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Costs - OA-ITSD-DSS</u>	<u>(Unknown, could exceed \$222,306)</u>	<u>\$0</u>	<u>\$0</u>
<u>Costs - DSS-FSD</u>			
Implementation of policies and procedures developed (§208.032)	(Unknown)	(Unknown)	(Unknown)
Program expenditures (§208.662)	(\$0 or Unknown, greater than \$104,166)	(\$0 or Unknown, greater than \$125,000)	(\$0 or Unknown, greater than \$125,000)
Increase in food stamp expenditures (\$208.247)	(\$3,366)	(\$8,079)	(\$12,118)
<u>Total Costs - DSS-FSD</u>	<u>(Unknown, could exceed \$107,532)</u>	<u>(Unknown, could exceed \$133,079)</u>	<u>(Unknown, could exceed \$137,118)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE FUND (continued)			
<u>Costs - DSS-MHD</u>			
MO HealthNet coverage for 21-26 year old foster care children (§208.151)	(\$1,108,195)	(\$1,507,145)	(\$1,567,431)
Program expansion, reporting and development expenditures (§208.662)	<u>(Unknown, greater than \$3,902,461)</u>	<u>(Unknown, greater than \$4,829,482)</u>	<u>(Unknown, greater than \$5,017,052)</u>
<u>Total Costs - DSS-MHD</u>	<u>(Unknown, greater than \$5,010,656)</u>	<u>(Unknown, greater than \$6,336,627)</u>	<u>(Unknown, greater than \$6,584,483)</u>
<u>Costs - DSS-DLS (§§ 210.145, 210.152 & 210,153)</u>			
Personal service	\$0	(\$46,104)	(\$46,566)
Fringe benefits	\$0	(\$23,396)	(\$23,630)
Equipment and expense	\$0	(\$13,946)	(\$10,867)
<u>Total Costs - DSS-DLS</u>	<u>\$0</u>	<u>(\$83,446)</u>	<u>(\$81,063)</u>
FTE Change - DSS	0 FTE	1.2 FTE	1.2 FTE
<u>Costs - DSS-CD (§§ 210.145, 210.152 & 210,153)</u>			
Personal service	(\$16,289)	(\$164,733)	(\$166,380)
Fringe benefits	(\$8,266)	(\$83,594)	(\$84,430)
Equipment and expense	(\$27,853)	(\$19,416)	(\$19,804)
CANRBs	\$0	(\$17,202)	(\$17,546)
<u>Total Cost - DSS-CD</u>	<u>(\$52,408)</u>	<u>(\$284,945)</u>	<u>(\$288,160)</u>
FTE Change - DSS	4.7 FTE	4.7 FTE	4.7 FTE
<u>Costs - DSS-CD</u>			
Children age 18 to 21 re-entering foster care (§211.036)	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)
Increase in state-only funded guardianship expenditures (§453.072)	<u>(\$443,929)</u>	<u>(\$532,715)</u>	<u>(\$532,715)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(Could exceed \$5,433,107)</u>	<u>(Could exceed \$6,886,343)</u>	<u>(Could exceed \$7,139,070)</u>
Estimated Net FTE Change for the General Revenue Fund	4.7 FTE	5.9 FTE	5.9 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
OTHER STATE FUNDS			
<u>Costs - DSS-MHD</u>			
MO HealthNet coverage for 21-26 year old foster care children (§208.151)	(\$769,465)	(\$1,046,473)	(\$1,088,332)
<u>Costs - DSS-DLS (§§ 210.145, 210.152 & 210,153)</u>			
Personal service	\$0	(\$7,684)	(\$7,761)
Fringe benefits	\$0	(\$3,899)	(\$3,938)
Equipment and expense	\$0	(\$2,324)	(\$1,811)
<u>Total Costs - DSS-DLS</u>	<u>\$0</u>	<u>(\$13,907)</u>	<u>(\$13,510)</u>
FTE Change - DSS	0 FTE	0.2 FTE	0.2 FTE
ESTIMATED NET EFFECT ON OTHER STATE FUNDS	<u>(\$769,465)</u>	<u>(\$1,060,380)</u>	<u>(\$1,101,842)</u>
Estimated Net FTE Change on Other State Funds	0 FTE	0.2 FTE	0.2 FTE
FEDERAL FUNDS			
<u>Savings - DSS-FSD</u>			
Reduction in food stamp program expenditures (§ 208.021)	Unknown	Unknown	Unknown
<u>Savings - DSS-CD</u>			
Reduction in foster care expenditures (\$453.072)	\$203,334	\$244,001	\$244,001
<u>Income - OA-ITSD-DSS</u>			
System programming reimbursements (\$208.662)	\$111,156	\$0	\$0
System programing reimbursement (§§ 210.145, 210.152 & 210,153)	\$70,650	\$0	\$0
Increase in program reimbursements (\$208.247)	<u>Unknown, could exceed \$40,500</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Income - OA-ITSD-DSS</u>	<u>Could exceed \$222,306</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
FEDERAL FUNDS (continued)			
<u>Income - DSS-FSD</u>			
Reimbursement for implementation costs (§208.032)	Unknown	Unknown	Unknown
Program expenditure reimbursements (§208.662)	\$0 or Unknown, greater than \$104,166	\$0 or Unknown, greater than \$125,000	\$0 or Unknown, greater than \$125,000
Increase in program reimbursements (§208.247)	<u>\$3,366</u>	<u>\$8,079</u>	<u>\$12,118</u>
<u>Total Income - DSS-FSD</u>	<u>Unknown, could exceed \$107,532</u>	<u>Unknown, could exceed \$133,079</u>	<u>Unknown, could exceed \$137,118</u>
<u>Income - DSS-MHD</u>			
Program reimbursements (§208.151)	\$3,046,060	\$4,142,641	\$4,308,347
Program expenditure reimbursements (§208.662)	<u>Unknown, greater than \$10,637,664</u>	<u>Unknown, greater than \$13,226,934</u>	<u>Unknown, greater than \$13,742,004</u>
<u>Total Income - DSS-MHD</u>	<u>Unknown, greater than \$13,683,724</u>	<u>Unknown, greater than \$17,369,575</u>	<u>Unknown, greater than \$18,050,351</u>
<u>Income - DSS-DLS</u>			
Program reimbursement (§§ 210.145, 210.152 & 210.153)	\$0	\$41,723	\$40,531
<u>Income - DSS-CD</u>			
Program reimbursement (§§ 210.145, 210.152 & 210.153)	\$25,279	\$137,446	\$138,998
<u>Costs - OA-ITSD-DSS</u>			
System programming expenditures (§208.662)	(\$111,156)	\$0	\$0
System programming expenditures (§§ 210.145, 210.152 & 210.153)	(\$70,650)	\$0	\$0
Increase in program expenditures (§208.247)	<u>(Unknown, could exceed \$40,500)</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Costs - OA-ITSD-DSS</u>	<u>(Unknown, could exceed \$222,306)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
FEDERAL FUNDS (continued)			
<u>Costs - DSS-FSD</u>			
Implementation costs (§208.032)	(Unknown)	(Unknown)	(Unknown)
Program expenditures (§208.662)	(\$0 or Unknown, greater than \$104,166)	(\$0 or Unknown, greater than \$125,000)	(\$0 or Unknown, greater than \$125,000)
Increase in program expenditures (\$208.247)	(\$3,366)	(\$8,079)	(\$12,118)
<u>Total Costs - DSS-FSD</u>	<u>(Unknown, could exceed \$107,532)</u>	<u>(Unknown, could exceed \$133,079)</u>	<u>(Unknown, could exceed \$137,118)</u>
<u>Costs - DSS-MHD</u>			
Program expenditures (§208.151)	(\$3,046,060)	(\$4,142,641)	(\$4,308,347)
Program expenditures (§208.662)	<u>(Unknown, greater than \$10,637,664)</u>	<u>(Unknown, greater than \$13,226,934)</u>	<u>(Unknown, greater than \$13,742,004)</u>
<u>Total Costs - DSS-MHD</u>	<u>(Unknown, greater than \$13,683,724)</u>	<u>(Unknown, greater than \$17,369,575)</u>	<u>(Unknown, greater than \$18,050,351)</u>
<u>Costs - DSS-DLS (§§ 210.145, 210.152 & 210,153)</u>			
Personal service	\$0	(\$23,052)	(\$23,283)
Fringe benefits	\$0	(\$11,698)	(\$11,815)
Equipment and expense	\$0	(\$6,973)	(\$5,433)
<u>Total Costs - DSS-DLS</u>	<u>\$0</u>	<u>(\$41,723)</u>	<u>(\$40,531)</u>
FTE Change - DSS	0 FTE	0.6 FTE	0.6 FTE
<u>Costs - DSS-CD (§§ 210.145, 210.152 & 210,153)</u>			
Personal service	(\$7,857)	(\$79,461)	(\$80,255)
Fringe benefits	(\$3,987)	(\$40,322)	(\$40,726)
Equipment and expense	(\$13,435)	(\$9,365)	(\$9,553)
CANRBs	\$0	(\$8,298)	(\$8,464)
<u>Total Costs - DSS-CD</u>	<u>(\$25,279)</u>	<u>(\$137,446)</u>	<u>(\$138,998)</u>
FTE Change - DSS	2.3 FTE	2.3 FTE	2.3 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
FEDERAL FUNDS (continued)			
<u>Loss - DSS-FSD (§ 208.021)</u>			
Reduction in federal food stamp reimbursement	(Unknown)	(Unknown)	(Unknown)
<u>Loss - DSS-CD</u>			
Reduction in federal matching funds for reduced foster care expenditures (\$453.072)	(\$203,334)	(\$244,001)	(\$244,001)
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on Federal Funds	2.3 FTE	2.9 FTE	2.9 FTE

* Long term impact of over \$100,000 of additional cost to the Department of Corrections (DOC) is expected, beyond the years reflected in this fiscal note. Impact will be to the Missouri General Revenue Fund.

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
LOCAL POLITICAL SUBDIVISIONS			
<u>Income - counties for domestic violence shelters - increase of surcharge imposed upon criminal actions from \$2 to \$4 (\$488.607)</u>	<u>\$521,667</u>	<u>\$626,000</u>	<u>\$626,000</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$521,667</u>	<u>\$626,000</u>	<u>\$626,000</u>

FISCAL IMPACT - Small Business

§208.032 - This proposal could negatively impact small retail businesses that provide items TANF funds can no longer be used to purchase.

§208.247 - Additional Missouri residents will be eligible for food stamp/SNAP benefits and will using those benefits to purchase food items at Missouri retailers.

§208.662 - May impact, positively or negatively, the reimbursement amounts received by small business health care providers.

FISCAL DESCRIPTION

§208.021 - Supplemental Nutrition Assistance:

This proposal requires the income and financial resources of an individual who was determined to be ineligible and remains ineligible for food stamps prior to the federal Personal Responsibility and Work Opportunity Act of 1996 due to the individual's immigration status to be considered in determining the eligibility and the value of the allotment of the household of which he or she is a member and a pro rata share of the income and financial resources of an individual determined to be ineligible for food stamps due to the individual's immigration status must be considered in determining the eligibility and value of the allotment of the household of which he or she is a member.

§208.032 - TANF and Casinos:

This proposal specifies that a recipient of state Temporary Assistance for Needy Families (TANF) benefits who is found to have made a cash withdrawal at any casino, gambling casino, or gaming establishment using an electronic benefit transfer transaction, after an administrative hearing conducted by the Department of Social Services, must be declared ineligible for benefits for three years from the date of the administrative hearing decision. Other members of the household who remain eligible must continue to receive TANF benefits as protective or vendor payments to a third-party payee. Any person who, in good faith, reports a suspected violation cannot be held civilly or criminally liable.

The department is required to implement and maintain policies and practices that prevent a TANF electronic benefit transaction in any liquor store, casino, gambling casino, gambling establishment, or any retail establishment that provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment. The policies and practices implemented by the department must ensure that recipients have access to using or withdrawing assistance with minimal or no fees and charges. The department must ensure that the recipient has adequate information on applicable fees and charges that apply to the electronic fund transactions involving assistance and ensure that information is publicly available.

§208.151 - MO HealthNet Coverage for Foster Care persons 21 to 26 years of age:

This proposal expands MO HealthNet benefit eligibility to a person who is in foster care on his or her eighteenth birthday and is less than 26 years of age, is not eligible for coverage under another mandatory coverage group, and was not covered by Medicaid while in foster care.

§208.247 - Food Stamps for Felons:

This proposal changes the law regarding the Supplemental Nutrition Assistance Program (SNAP). An individual who has pled guilty to or is found guilty under federal or state law of a felony involving possession or use of a controlled substance must be exempt from the prohibition against

FISCAL DESCRIPTION (continued)

eligibility for SNAP benefits for the convictions if the Department of Social Services determines that the individual meets at least one of the following conditions: (1) He or she is currently successfully participating in a substance abuse treatment program approved by the Division of Alcohol and Drug Abuse within the Department of Mental Health; (2) He or she is currently accepted for treatment in and participating in a substance abuse treatment program approved by the division but is on a wait list to receive the treatment and the individual enrolls in and enters the treatment program at the first available opportunity; (3) He or she has satisfactorily completed a substance abuse treatment program approved by the division; (4) He or she is successfully complying with or has complied with all obligations imposed by the court, the Division of Alcohol and Drug Abuse, and the Division of Probation and Parole within the Department of Corrections; (5) He or she has demonstrated sobriety through voluntary urinalysis testing paid for by the participant; or (6) It has been over four years since the drug-related felony conviction.

Eligibility must be based upon documentary or other evidence deemed satisfactory by the Department of Social Services and the applicant must meet all other eligibility requirements. The department, in consultation with the Division of Alcohol and Drug Abuse, must create rules to carry out the provisions of the proposal, including the criteria for determining active participation in and completion of a substance abuse treatment program.

§208.662 - Show-Me Healthy Babies Program:

This proposal establishes the Show-Me Healthy Babies Program as a separate children's health insurance program for low-income unborn children.

For an unborn child to be eligible for enrollment in the program, the mother of the child must not be eligible for coverage under Title XIX of the federal Social Security Act, the Medicaid program as administered by the state, and must not have access to affordable employer-subsidized health care insurance or other affordable health care coverage that includes coverage for the unborn child. The unborn child must be in a family with income eligibility of no more than 300% of the federal poverty level or the comparable modified adjusted gross income unless the income eligibility is set lower by the General Assembly through appropriations. When calculating family size as it relates to income eligibility, the family must include in addition to other family members, the unborn child, or in the case of a mother with a multiple pregnancy, all unborn children.

Coverage for an unborn child enrolled in the program must include all prenatal care and pregnancy-related services that benefit the health of the unborn child and promote healthy labor, delivery, and birth. Coverage must not include services that are solely for the benefit of the pregnant mother, are unrelated to maintaining or promoting a healthy pregnancy, and provide no benefit to the unborn child.

FISCAL DESCRIPTION (continued)

The proposal specifies that there must not be a waiting period before an unborn child may be enrolled in the program. Coverage must include the period from conception to birth and the Department of Social Services must develop a presumptive eligibility procedure for enrolling an unborn child.

Coverage for the child continues for up to one year after birth, unless otherwise prohibited by law or limited by the General Assembly through appropriations. The General Assembly may set nonarbitrary conditions on the post-birth coverage for the child based on factors including age, income eligibility, geography, race ethnicity, morbidity, mortality, birth weight, and disability. Pregnancy-related and postpartum coverage for the mother begins on the day the pregnancy ends through the last day of the month that includes the sixtieth day after the pregnancy ends, unless otherwise prohibited by law or limited by the General Assembly through appropriations. The General Assembly may set nonarbitrary conditions on the pregnancy-related and postpartum coverage for the mother based on factors including age, income eligibility, geography, race ethnicity, morbidity, mortality, birth weight, and disability. Coverage for the mother is limited to pregnancy-related and postpartum care.

The proposal does not prohibit an unborn child from being enrolled in the program at the same time his or her mother is enrolled in MO HealthNet, the Children's Health Insurance Program (CHIP), Medicare, or another health care program. The department must ensure that there is no duplication of payments for services for an unborn child enrolled in the program that are payable under a governmental or nongovernmental health care program for services to an eligible pregnant woman.

The proposal specifies the way the department may provide coverage for an unborn child enrolled in the program. The department must provide information about the program to maternity homes as defined in Section 135.600, RSMo, pregnancy resource centers as defined in Section 135.630, and other similar agencies and programs in the state that assist unborn children and their mothers. The department must consider including these agencies and programs as places that may assist in enrolling unborn children in the program and in determining presumptive eligibility.

Within 60 days after the effective date of these provisions, the department must submit a state plan amendment to the federal Department of Health and Human Services requesting approval for the program.

At least annually, the department must prepare and submit a report to the Governor, the Speaker of the House of Representatives, and the President Pro Tem of the Senate analyzing the cost savings and benefits, if any, to the state, counties, local communities, school districts, law enforcement, health care providers, employers and other public and private entities and persons by enrolling unborn children in the program. The proposal specifies the information that must be included in this analysis.

FISCAL DESCRIPTION (continued)

The program is not to be deemed an entitlement program, but instead is subject to a federal allotment or other federal appropriations and matching state appropriations. The state is not obligated to continue the program if the allotment or payments from the federal government end or are not sufficient for the program to operate or if the General Assembly does not appropriate funds for the program. The proposal must not be construed as expanding MO HealthNet or fulfilling a mandate imposed by the federal government on the state.

§§210.110, 210.145, 210.152, and 210.153 - Child Abuse and Neglect Central Registry:

This proposal requires the Children's Division within the Department of Social Services by January 1, 2014, to classify all identifying information, including telephone reports, relating to reports of abuse or neglect received by the division in one of the following tiers based on the level of risk of future injury to the child: (1) Tier one: severe risk of future harm to the child; (2) Tier two: moderate risk of future harm to the child; (3) Tier three: mild risk of future harm to the child.

The proposal specifies the criteria for each tier and authorizes the department to promulgate rules to establish the standards for each classification. All tier one reports must be placed on the registry for life and are not subject to expungement. All tier two reports must be placed on the registry for five years, unless the individual is found to have committed another act of child abuse or neglect in the five-year period, in which case the individual must be classified as a tier one report. Any tier two report is eligible for expungement at the expiration of the five-year period. Tier three reports must be placed on the registry for two years and must automatically be expunged at the end of the two-year period.

This proposal requires all persons placed on the Missouri Child Abuse/Neglect Central Registry System to remain on the registry for the duration of time required under these provisions. The division must use structured decision-making protocols for classification purposes of all child abuse and neglect reports consistent with these classification tiers. The division's information system must contain the classification of risk and injury and must be updated to reflect any changes in classification.

Any individual placed on the registry may petition the department's Child Abuse and Neglect Review Board for expungement of all identifying information from the registry based on the individual's classification. The proposal specifies the information that must be in any petition for expungement. If the petition satisfies the requirements, and the board determines the petitioner poses no significant risk to children or other vulnerable populations, the board must grant the petition. Any individual aggrieved by the board's decision may seek de novo review of the decision or refile the petition for expungement with the board within two years after the final

FISCAL DESCRIPTION (continued)

denial of the petition. The department must maintain a sealed record of the underlying report and investigation of child abuse or neglect for any record expunged under these provisions. The sealed record is only available to child protection investigators or law enforcement officials who need access to the record as part of an open investigation related to an allegation of child abuse or neglect.

§211.036 - Youth Re-enter Foster Care:

Under current law, if a youth under the age of 18 is released from the custody of the Children's Division within the Department of Social Services, the juvenile officer, the Children's Division or the youth may petition the court to return to the custody of the Children's Division if it appears it would be in the youth's best interest. This proposal raises the age limit from 18 to 21.

§453.072 - Fictive Kin:

Currently, for the purposes of determining eligibility for a subsidy to a qualified relative who is granted legal guardianship of a child, the term "relative" means grandparent, aunt, uncle, adult sibling of the child, or adult first cousin of the child. This proposal revises the term to include a great grandparent, great aunt, great uncle, or any adult cousin of the child or any fictive kin. "Fictive kin" means any individual, whether related or unrelated by birth or marriage, who is shown to have close personal or emotional ties with the child or the child's family prior to the child's placement with the individual.

§488.607 - Surcharge Imposed Upon Criminal Actions:

Currently, the governing body of any county and the City of St Louis may impose, by order or ordinance, a surcharge of \$2 upon the filing of a criminal action in the circuit court to be used to provide financial assistance to shelters for victims of domestic violence.

This proposal increases the surcharge to \$4.

§§556.061, 558.026, and 556.030 - 566.212 - Sexual Offenses Against a Child:

This proposal changes the laws regarding certain sexual offenses. In its main provisions, the proposal: (1) Repeals the requirement that the victim must be a child less than 12 years of age at the time of the commission of statutory rape in the first degree or statutory sodomy in the first degree in order for those crimes to be classified as dangerous felonies; (2) Requires sentences for statutory rape in the first degree or an attempt to commit statutory rape in the first degree to run consecutively to other specified offenses; (3) Specifies the authorized penalty for forcible rape or

FISCAL DESCRIPTION (continued)

an attempt to commit forcible rape is life imprisonment or a term of at least 15 years imprisonment if the victim is a child and the defendant has pled guilty to or has been convicted of the crime of incest against the victim; (4) Specifies the authorized penalty for statutory rape in the first degree or an attempt to commit statutory rape in the first degree is life imprisonment or a term of at least 10 years imprisonment if the defendant has pled guilty to or been convicted of the crime of incest against the victim; (5) Specifies that statutory rape in the second degree is a class B felony if the defendant has pled guilty to or been convicted of the crime of incest against the victim; (6) Specifies the authorized penalty for forcible sodomy or an attempt to commit forcible sodomy is life imprisonment or a term of at least 10 years imprisonment if the victim is a child and the defendant has pled guilty to or been convicted of the crime of incest against the victim; (7) Specifies the authorized penalty for statutory sodomy in the first degree or an attempt to commit statutory sodomy in the first degree is life imprisonment or a term of at least 10 years imprisonment if the defendant has pled guilty to or been convicted of incest against the victim; (8) Specifies that statutory sodomy in the second degree is a class B felony if the defendant has pled guilty to or been convicted of the crime of incest against the victim; (9) Specifies that child molestation in the first degree is a class A felony if the defendant has pled guilty to or been convicted of the crime of incest against the victim; (10) Specifies that child molestation in the second degree is a class D felony if the defendant has pled guilty to or been convicted of the crime of incest against the victim; (11) Specifies that sexual misconduct involving a child or attempted sexual misconduct involving a child is a class C felony if the defendant has pled guilty to or been convicted of the crime of incest against the victim; and (12) Specifies the authorized penalty for sexual trafficking of a child is life imprisonment without eligibility for probation or parole until the defendant has served at least 25 years of the sentence if the defendant has pled guilty to or been convicted of the crime of incest against the victim.


This legislation is not federally mandated and would not duplicate any other program.

SOURCES OF INFORMATION

Department of Agriculture
Office of Attorney General
Office of State Courts Administrator -
 Administrative Hearing Commission
 Commissioner's Office
 Division of Budget and Planning
 Information Technology Services Division/Department of Social Services
Office of State Courts Administrator
Department of Elementary and Secondary Education
Department of Higher Education

SOURCES OF INFORMATION (continued)

Department of Mental Health
Department of Corrections
Department of Health and Senior Services
Department of Social Services -
 Children's Division
 Division of Legal Services
 Family Support Division
 MO HealthNet Division
 Division of Youth Services
Department of Public Safety -
 Missouri Gaming Commission
 Missouri State Highway Patrol
Joint Committee on Administrative Rules
Office of Prosecution Services
Office of Secretary of State
Office of State Public Defender
City of Kansas City
Special School District
Parkway School District
City of Columbia
City of Raytown
Barton County Memorial Hospital
Lincoln University
Linn State Technical College
Missouri Southern State University
Missouri State University
Missouri Western State University
Northwest Missouri State University
University of Central Missouri
Metropolitan Community College
University of Missouri



Ross Strope
Acting Director

L.R. No. 1683-02
Bill No. Perfected HCS for HB 717
Page 47 of 47
May 13, 2013

May 13, 2013

HWC:LR:OD